

COMMISSIONERS  
MIKE GLEASON - Chairman  
KRISTIN K MAYES  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
GARY PIERCE

ORIGINAL



0000074410

ARIZONA CORPORATION COMMISSION

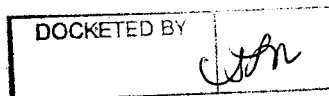
June 29, 2007

CERTIFIED MAIL

Ms. Connie Wightman  
Technologies Management Inc.  
210 North Park Avenue  
Winter Park, Florida 32789

Arizona Corporation Commission  
**DOCKETED**

JUN 29 2007



AZ CORP COMMISSION  
DOCKET CONTROL

2007 JUN 29 P 2:23

RECEIVED

RE: Tariff Revisions for Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance;  
ACC Tariff No. 2, Docket No. T-03289A-07-0341

Dear Ms. Wightman:

The tariff change filed by Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance ("Verizon Long Distance" or "Company") on June 1, 2007 introduces a Minimum Spend Level ("MSL") under Optional Residential Services Plan L Service in Verizon Long Distance's AZ.C.C Tariff No. 2. As a competitive telecommunications provider, Verizon Long Distance is subject to Title 14, Article 11 (Competitive Telecommunications Services) of the Arizona Administrative Code. Section 1110 of Title 14, Article 11 describes the procedure for applying to the Arizona Corporation Commission ("Commission") for an increase in the maximum rate for a competitive telecommunications service.

In order to increase the maximum tariff rate for a competitive telecommunications service, the applicant shall submit an application to the Commission containing the following information:

1. A statement setting forth the reasons for which a rate increase is required;
2. Is there a cost based justification for the rate increase (i.e., is the rate increase necessary to account for a change in your costs)? If yes, please describe the change in your costs. Provide calculations and data to support your cost justification. (*See attached Data Request for additional details.*)
3. A schedule of current rates and proposed rates and the additional revenues to be derived from the proposed rates; (*See attached Data Request for additional details.*)
4. An affidavit verifying that appropriate notice of the proposed rate increase has been provided to customers of the service; and
5. A copy of the customer notification you sent to your customers.

Ms. Connie Wightman  
June 29, 2007  
Page 2

Verizon Long Distance's filing under Plan L Service (Section 3.6.10), adds a MSL of \$9.99, which when combined with current Monthly Recurring Charge ("MRC") and MSL, will not exceed the maximum MRC, which is currently approved at \$12.00 per account.

Therefore, it will be necessary for you to provide the information described in 1-5 above. Please indicate if any of the information noted above has been already supplied in Verizon Long Distance's June 1, 2007 filing or provide updated information as needed. The Commission or Staff may request any additional information in support of the application. Staff cannot begin to process this filing until this information is received.

Frequently asked questions concerning tariffs can be found at:

<http://www.cc.state.az.us/utility/tariff/tariff-faq.htm>

Please provide Docket Control with the information being requested within **10 business days** of the date of this letter. Mail an original plus 13 copies to Docket Control, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007-2927. If no response is received or all deficiencies are not remedied within 10 business days, Staff will recommend that the application be terminated. If the application is terminated, the Applicant cannot provide the same telecommunications services in Arizona for which it is currently applying, until such time as a new application is filed with and approved by the Commission.

Remember that information submitted for a tariff rate increase is normally made a part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. If Verizon Long Distance needs to provide confidential information, please contact me directly.

Also, please understand that rate changes do not become effective until they are approved by the Commission. If you have any questions about this matter, please contact me at (602) 542-0734. Thank you for your prompt response to this request.

Respectfully,

  
Freddie Malapit  
Public Utilities Analyst

FBM:tdp

Enclosure(s)

STAFF'S FIRST SET OF DATA REQUESTS FOR  
BELL ATLANTIC COMMUNICATIONS D/B/A VERIZON LONG DISTANCE  
DOCKET NO. T-03289A-07-0341

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses. Also, please make sure all information you provide in response to item(s) concerning this Application, including Staff's data requests, is updated and current. If you need to update your response to any item(s)/request(s), please reference the item(s)/request(s) and provide your current response(s). Please make sure each numbered item and each part of the item is answered completely. In order for Staff to continue with its review of this application, the following information must be submitted:

- FBM 1-1 Please clarify the Company's filing of Plan L Service MSL of \$9.99 per month. On the notification of a price increase, there's no mention of MRC under this plan. Is a MRC charged to customers under this plan? If so, what is the monthly MRC?
- FBM 1-2 Is the MRC included in the MSL of \$9.99 per month?
- FBM 1-3 Please identify the Commission approved maximum MRC under this plan.
- FBM 1-4 Will the Company interchange/replace the MRC with MSL?
- FBM 1-5 Please explain what happens when a customer's combined MRC and MSL charges exceed the maximum MRC.
- FBM 1-6 Please explain how the MSL will appear on your customer's billing statement.
- FBM 1-7 Please explain how the MSL will be applied.
- FBM 1-8 Will the MSL be applied on a monthly basis?
- FBM 1-9 Please explain if the MSL is applied per billing telephone number, per line, per customer name, or by some other criteria.
- FBM 1-10 Please differentiate what the "minimum usage fee requirement" and MSL is. Please define what constitutes, "applicable charges"?
- FBM 1-11 In which States does Verizon Long Distance have MSL implemented? For those States in which Verizon Long Distance has MSL implemented, please provide the dates when those MSL's were approved.
- FBM 1-12 Please explain how the Company believes its proposed Plan L Service MSL of \$9.99 per account compare to those of similar services offered by its competitors. List at least three companies that are your competitors in Arizona. For each of the competitors, identify MSL per account that is comparable to your proposed MSL of

STAFF'S FIRST SET OF DATA REQUESTS FOR  
BELL ATLANTIC COMMUNICATIONS D/B/A VERIZON LONG DISTANCE  
DOCKET NO. T-03289A-07-0341

\$9.99 per account. Also, furnish the source(s)/information of each MSL per account (i.e. URL address, link or print computer document(s)).

- FBM 1-13 Please explain if the service impacted by the MSL of \$9.99 per account is being enhanced with new or additional features. (Example: Will the customer receive in return lower per minute long distance rates? Is there a capped to the customer's monthly charge if they meet or exceed the monthly MSL?)
- FBM 1-14 Please explain when the maximum and current MSL of \$9.99 per account was previously increased.
- FBM 1-15 Please confirm or correct the existing Actual and Maximum MSL of \$9.99 per account the Company proposes to increase.
- FBM 1-16 For each MSL of \$9.99 per account the Company proposes to implement, please provide:
- the number Arizona customers impacted (provide estimate).
  - the total annualized Arizona revenue associated with all Arizona customers under the existing current and maximum rates (provide calculation of estimate).
  - the total annualized Arizona revenue associated with all customers under the proposed addition of MSL charge (provide calculation of estimate).
- FBM 1-17 Please explain if the expected effect of this filing on the Company's Arizona revenues is less than 1 percent, from 1 to 5 percent, etc. (provide calculation of estimate to arrive at revenue per year in Arizona as of June 1, 2007).
- FBM 1-18 Is the proposed MSL of \$9.99 per account the Company proposes to implement in Arizona the same charge by the Company in other states? If not, please explain. Is the proposed MSL of \$9.99 per account the Company proposes to increase in Arizona nation-wide? If not, please explain.
- FBM 1-19 Is Verizon Long Distance in full compliance with all Commission's Decisions, reporting requirements (i.e. Annual Report, filing of Diversification Activities and Plans, Accident Reports, etc.), and addressed all Consumer inquiries and/or complaints in the Utilities Division?
- FBM 1-20 Is Verizon Long Distance in "Good Standing" with the Corporation Division of the Arizona Corporation Commission?
- FBM 1-21 Please provide Verizon Long Distance's fair value rate base, the value of all assets under Arizona's jurisdiction.

STAFF'S FIRST SET OF DATA REQUESTS FOR  
BELL ATLANTIC COMMUNICATIONS D/B/A VERIZON LONG DISTANCE  
DOCKET NO. T-03289A-07-0341

FBM 1-22 Did you provide 60 days notice to affected customers of the proposed tariff changes as required in R14-2-504 (B) (2.)?

FBM 1-23 Please indicate whether Verizon Long Distance currently has a performance bond in Arizona. If so, what is the amount of the performance bond?